

**Amendments to the Claims:**

*This listing of claims will replace all prior versions, and listings, of claims in the application:*

1. (original) A method for assessing an automotive finance company's equity adequacy comprising:

quantifying the company's sources of creditor protection wherein the sources comprise equity, reserves and net deferred tax liability in the event of an overall loss;

estimating the company's potential unexpected worst-case losses for each of a plurality of exposures with 99.9% confidence; and

comparing the company's creditor protection to the company's potential unexpected worst-case losses to demonstrate the company's equity adequacy.

2. (original) The method of claim 1 wherein the sources of creditor protection additionally comprise future tax liability.

3. (original) The method of claim 1 wherein the sources of creditor protection additionally comprise lifetime profits.

4. (original) The method of claim 1 wherein a simulation model is implemented to estimate the company's potential unexpected worst-case losses for each of a plurality of exposures with 99.9% confidence.

5. (original) The method of claim 1 wherein potential unexpected worst-case residual lease exposures are estimated using economic models to factor out historical auction price variations due to seasonality and refreshenings.

6. (presently amended) The method of claim 5 wherein an assumption is made in the estimation of potential unexpected worst case residual lease exposures [[it is

assumed]] that every non-defaulting lease vehicle is returned and experiences a worst-case residual loss.

7. (original) The method of claim 1 wherein the sources of creditor protection comprises asset classes junior to creditor claims.

8. (original) The method of claim 1 additionally comprising applying a risk correlation value to the estimated unexpected worst-case losses to yield a risk-adjusted unexpected loss estimate.